

Southern California Association of Governments



P&P TAC

CTC Coordination Revenue and Cost Model

Los Angeles, CA
June 15, 2006

System Metrics Group, Inc.

Introduction



Since our last Finance Task Force meeting, we have...

- Spoken with representatives of each County Transportation Commission (CTC) about:
 - Constrained project lists and costs
 - Revenue forecasts
- Thought about implications for the model, such as
 - Need to handle diverging assumptions
 - Potential sales tax measures
 - Different end dates for long-range plans

We interviewed people at every CTC plus IVAG and Metrolink

Organization	Representative(s)
Imperial Valley Association of Governments (IVAG)	Rosa Lopez, <i>Staff</i>
Los Angeles County Metropolitan Transportation Authority (LACMTA)	Gloria Anderson, <i>Long Range Planning</i> Doug Kim, <i>Long Range Planning</i> Ron Smith, <i>Transportation Funding</i>
Orange County Transportation Authority (OCTA)	Richard Marcus, <i>Planning and Development</i> Darrell Johnson, <i>Capital Programs</i>
Riverside County Transportation Commission (RCTC)	Shirley Medina, <i>Program Management</i>
San Bernardino Associated Governments (SANBAG)	Ty Schuiling, <i>Planning and Programming</i>
Ventura County Transportation Commission (VCTC)	Peter De Haan, <i>Transportation Programming, Legislation, and Grants</i>
Southern California Regional Rail Authority (Metrolink)	Joanna Capelle, <i>Grants and Strategic Development</i>

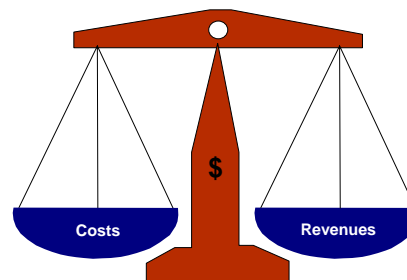
We asked about both revenues and project costs

Revenues

- What are your primary revenue sources?
- How do you forecast revenue (i.e., sources, forecast year, discounting, drivers, etc.)?
- What are the primary issues that will impact future revenue?
- What documentation can we review?

Costs

- What is the programming horizon for your latest long-range plan?
- What is appropriate source of projects for your county?
- How will you propose projects for the last years of the Regional Transportation Plan (RTP)?



We also collected a number of documents

- Long-Range Transportation Plans (LRTPs)
- Short-Range Transportation Plans (SRTPs)
- Summaries of financial forecasts
- Forecasting model documentation
- Guides to revenue sources
- Sale tax measure forecasts and expenditure plans
- Short-range transit plans and strategic plans

We found that...

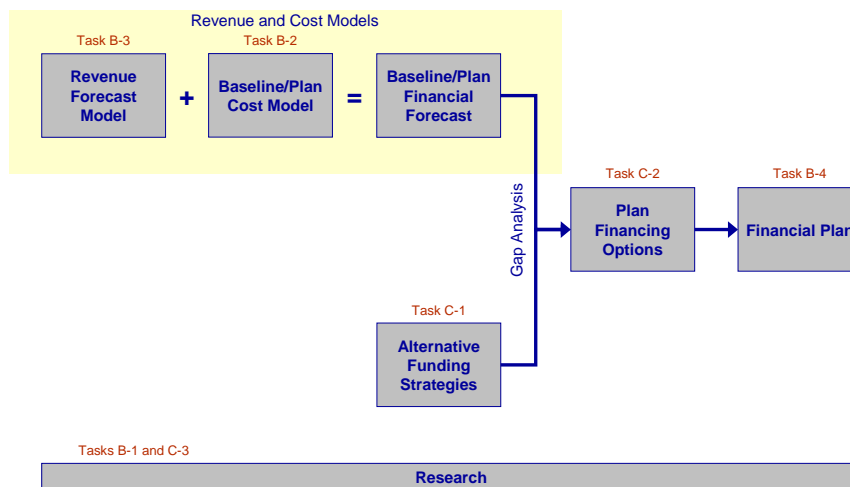
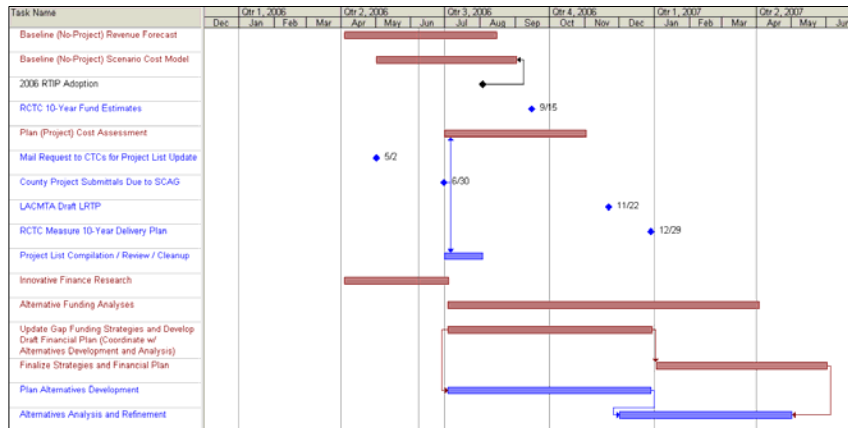
- The degree of forecasting varies by county
- Forecasts are based on actual and estimated apportionments/allocations for the SAFETEA-LU period (2005-2009)
- Most long-range plans go through 2030
- Some counties rely on outside forecasts (by UCLA, SCAG, Caltrans, etc.)
- Forecasts may not be consistent across revenue sources (e.g., different forecasts for sales tax measures and Transportation Development Act)
- Sales tax assumptions diverge (increasing per capita spending versus constant growth)
- The county LRTPs do not fully reflect Metrolink's Capital Plan
- The county financial forecasts may assume a different population and business growth than the regional travel demand model

The agencies make different forecasting assumptions

- Ability to meet air quality attainment goals
- Impacts of additional transit revenue-miles
- Inclusion of debt service (financing costs)
- Use of nominal or constant dollars

The interviews also highlighted a few developments since the 2004 RTP

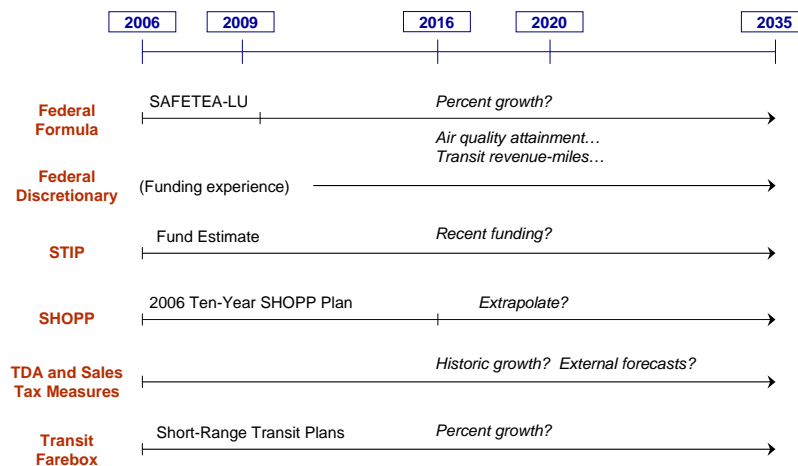
- Sales tax measure did not pass in Ventura County (may attempt again right after adoption of the next RTP in 2008)
- Expiration of Imperial County sales tax measure in 2009 and current marketing effort for renewal
- Proposition 42 subvention
- Decline in federal trust fund balance



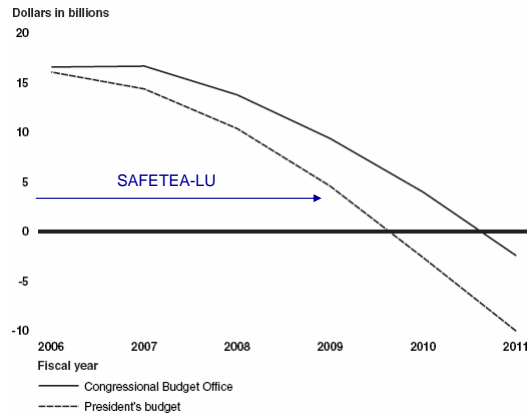
The revenue forecast model will include the primary transportation funding sources in the SCAG region

Federal	State	Local
Surface Transportation Program (STP)	State Transportation Improvement Program (STIP)	Transportation Development Act (TDA)
Congestion Mitigation and Air Quality Program (CMAQ)	State Highway Operation and Protection Program (SHOPP)	Sales Tax Measures
Transportation Enhancement Activities (TEA)	State Transit Assistance (STA)	Developer Mitigation Fees
5307 & 5311 Formula Funds	Traffic Congestion Relief Program (TCRP)/Proposition 42	Transit Revenue (Farebox)
5309 New Starts & Bus Discretionary Funds		
5309 Fixed Guideway Formula		
5310 Paratransit Formula Funds		

After the initial SAFETEA-LU period, revenue forecasts become less certain



A recent concern is that the Federal Highway Trust Fund will become negative due to SAFETEA-LU



Source: GAO analysis of data provided in the President's Budget and by CBO.

There are a number of transit operators in the SCAG region

County	ID	Transit Operator	Total All Modes
LA	9008	Santa Monica's Big Blue Bus	73,003,534
	9010	City of Torrance Transit System	22,358,633
	9022	Norwalk Transit System	10,023,641
	9023	Long Beach Public Transportation Company	71,060,857
	9024	City of La Mirada Transit	170,220
	9039	Culver City Municipal Bus Lines	15,980,785
	9041	Montebello Bus Lines	33,993,300
	9042	City of Gardena Transportation Department	18,060,171
	9043	City of Commerce Municipal Bus	2,702,480
	9044	Arcadia Transit	508,065
	9121	Antelope Valley Transit Authority	38,236,671
	9146	Foothill Transit	100,130,693
	9147	City of Los Angeles Department of Transportation (LADOT)	83,104,561
	9154	Los Angeles County MTA	1,663,158,075
	9157	Access Services Incorporated	27,432,120
	9166	LACMTA small operators	24,737,111
	9171	Santa Clarita Transit	40,890,793
LA COUNTY TOTAL			2,225,551,706
OR	9036	Orange County Transportation Authority	278,750,826
	9119	Laguna Beach	626,751
OR COUNTY TOTAL			279,377,577
RV	9031	Riverside Transit Agency	44,510,985
	9052	City of Corona Dial-A-Ride	782,008
	9079	Sunline	29,969,789
	9086	City of Riverside Special Transportation	669,853
RV COUNTY TOTAL			75,932,645
SB	9029	Omnitrans	81,578,755
	9148	Victor Valley Transit Authority	12,207,981
SB COUNTY TOTAL			93,786,736
VE	9035	South Coast Area Transit	20,267,968
	9050	Simi Valley Transit	2,413,965
	9164	Ventura InterCity Service Transit Authority (VISTA)	6,021,209
	9165	Thousand Oaks Transit	1,222,757
VE COUNTY TOTAL			29,925,900
VAR	9151	Southern California Regional Rail Authority (Metrolink)	364,526,307
REGIONAL TOTAL			3,069,100,871

Source: National Transit Database

We will focus on estimating farebox revenues for the large operators only...

- Santa Monica Big Blue Bus
- Long Beach Public Transportation Company
- Montebello Bus Lines
- Antelope Valley Transit Authority
- Foothill Transit
- City of Los Angeles Department of Transportation (LADOT)
- Los Angeles County MTA
- Santa Clarita Transit
- Orange County Transportation Authority
- Riverside Transit Agency
- Sunline
- Omnitrans
- South Coast Area Transit
- Southern California Regional Rail Authority (Metrolink)

And make a lump-sum estimate for the other operators

The spreadsheet provided is divided into five categories

1. Project identification

Project Identification				
RTP ID	County	Lead Agency	Source of Project	Category
6MadeUp	IMP	IVAG	County plan	Arterial

2. Project Scope

Project Information							
Route/Program	From	To	Description	Existing Configuration	Start Year	Completion Year	Priority
SR-Example	I-Example	Example Hwy	Construct 4-lane extension	None	2008	2012	Programmed

3. Project Cost

Project Costs by Category			
Engineering (07\$)	Right-of-Way (07\$)	Construction (07\$)	Total Costs (07\$)
\$2,000,000	\$4,000,000	\$49,000,000	\$55,000,000

The spreadsheet provided is divided into five categories ...
continued



4. Funding Sources

Expenditures by Funding Source								
Federal Funding (07\$)	Federal Funding Source (if known)	State Funding (07\$)	State Funding Source (if known)	Local Funding (07\$)	Local Funding Source (if known)	Private Funding (07\$)	Total Funding (07\$)	Funding Comments
\$45,000,000	FHWA CMAQ	\$7,000,000	STIP	\$3,000,000	Other	\$0	\$55,000,000	

5. Benefits Expected

Benefits					
Project Purpose and Need	Mobility	Accessibility	Safety	Reliability	Environment
Relieve congestion on parallel route and provide access	Yes	Yes			Yes